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United States Senate

COMMITTEE ON SMALL BUSINESS

WASHINGTON, DC 20510-6350

April 19, 1999

The Honorable Jacob J. Lew
Director
Office of Management and Budget
Old Executive Office Building
Washington D.C. 20503

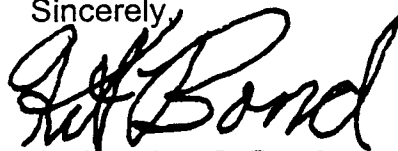
Dear Mr. Lew:

The Small Business Regulatory Enforcement Fairness Act of 1996 (Act) (Title II P.L. 104-121) required federal agencies that regulate the activities of small entities to implement programs to provide informal compliance assistance, penalty reductions, and, where appropriate, penalty waivers to small entities, including small businesses, small governments and small not-for-profit organizations. All such federal agencies, including the Office of Management and Budget (OMB), were to report to Congress on implementation of these programs no later than March 29, 1998 — more than one year ago. To date, OMB has not submitted to this Committee the reports to Congress required under Sections 213 and 223 of the Act.

As Chairman of the Senate Committee on Small Business and as the principal author of the Small Business Regulatory Enforcement Fairness Act, I request a detailed explanation as to why OMB failed to fulfill its statutory obligation to report to Congress on OMB's implementation of the requirements under Sections 213 and 223. Furthermore, I request that OMB provide these reports to this Committee, as well as the other committees named in the statute to receive the reports, by May 6, 1999. In closing, and perhaps most importantly, OMB's failure to comply with these reporting requirements raises questions regarding the OMB's commitment to fulfilling its responsibilities under the Act, which was enacted by Congress to ensure that federal agencies treat small entities fairly in rulemaking and enforcement activities.

Should you need additional information, please contact me or Suey Howe, the Committee's Regulatory Counsel, at 224-5175.

Sincerely,



Christopher S. Bond
Chairman